Andrew Perchik 072005

From: Andrew Perchlik [REV@sover.net] Sent: Wednesday, July 20, 2005 5:03 PM

To: Bernstein, Howard (ENE)

Subject: Comments on MA DOER RPS Biomass NOI

Hello,

These are my comments in opposition to the Massachusetts Division of Energy Resources' (DOER) Notice Of Inquiry (NOI) that would further weaken eligibility requirements for existing biomass facilities to have their entire output treated as New renewables and to receive MA Renewable Energy Certificates (RECs) provided the facilities undergo modest, back-end, retrofits.

Particularly these changes would hurt the development of new renewable energy resources here in VT and throughout New England.

Additionally, here are the reasons I am opposed to these changes

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If enacted, the NOI would have the potential of opening up hundreds of megawatts of existing biomass to receive RECs, this would reduce the value of RECs to non-emitting, new, renewable energy development such as wind power projects.

This change to the REC market in the early years of the RPS would create market uncertainty and instability, making it more difficult for wind energy projects to secure financing.

NOI is contrary to the intent of the MA Legislature in creating the RPS which sought to expand the use of renewable energy by requiring energy retailers to purchase specific amounts of renewable energy from NEW sources. To now direct many of these incentives toward biomass plants built prior to 1997, DOER would be undermining the legislative purpose of the RPS.

NOI further undermines DOER's own RPS Policy Objectives. In DOER's 2001 Background Document on the RPS is this text: POLICY OBJECTIVES. The RPS is expected to stimulate development of new electric generating units that use renewable fuels and technologies, and thereby accomplish the following policy objectives: Decrease pollution from existing power plants, Diversify the fuels used to generate power in or near our region, Decrease our reliance on fuels imported from other regions, and Moderate price volatility caused by reliance on imported fuels. By re-directing incentives from new renewable development to pre-1997 existing renewables, implementation of the NOI changes would reduce the ability of the RPS to meet any of the DOER's stated RPS goals.

Sincerely,

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